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NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR

DRIVER'S LICENSE NUMBER. Producers 88 (4-89) — Paid-Up With 640 Acres Pooling Provision

PAID-UP OIL AND GAS LEASE (No Surface Use)

THIS LEASE AGREEMENT is made this 11th day of January, 2011, by and between David Henley whose address is 3008 Misty Valley Drive, Fort Worth, TX 76123 as Lessor, and CHESAPEAKE EXPLORATION, L.L.C., an Oklahoma limited liability company, whose address is P.O. Box 18496, Oklahoma City, Oklahoma 73154-0496, as Lessee. All Lessee.

Lessee.

sideration of a cash bonus in hand paid and the covenants herein contained, Lassor heraby grants, leases and lets exclusively to Lessee the following described land, hereinafter called leased premises:

ABSTRACT NO: 873

LOT 19, BLOCK 24, PHASE VII, MEADOW CREEK ADDITION, AN ADDITION TO THE CITY OF FORT WORTH, TARRANT COUNTY, TEXAS ACCORDING TO THE MAP OR PLAT THEREOF RECORDED IN VOLUME 389-206, PAGE 11, PLAT RECORDS, TARRANT COUNTY, TEXAS

in the County of <u>TARRANT</u>. State of TX, containing <u>0.15348500</u> gross acres, more or less (including any interests therein which Lessor may hereafter acquire by reversion, prescription or otherwise), for the purpose of exploring for, developing, producing and marketing oil and gas, along with all hydrocarbon and non hydrocarbon substances produced in association therewith described leased premises, this lease also covers accretions and any small strips or parcels of land now or hereafter owned by Lessor which are contiguous or adjacent to the above-leastiful premises, and, in consideration of the aforementioned cash bonus, Lessor agrees to execute at Lessee's request any additional or supplemental instruments for a more complete or whether actually more or less.

2. This lease, which is a "paid-up" lease requiring no rentals, shall be in force for a primary term of Three (3) years from the date hereof, and for as long thereafter as oil or gas or more covered hereby are produced in paying quantities from the leased premises or from lands pooled therewith or this lease is otherwise maintained in effect pursuant to the

1. Instruction is a "past-up" lease requiring no restate, shalt be in loros for a primary term of <u>Intrue 19</u> years from the date hereof, and for as long unerester as only or go provisions hereof.

3. Royalties on oil, gas and other substances produced and seved hereunder shall be spid by Lessee to Lessor as follows: (a) For oil and other liquid hydrocarbons separated facilities, the royalty shall be 25% of such production, to be delivered at Lessee's option to Lessor's excellant the oil production. The facilities, provided that Lessee shall have the continuing right to continuing right to continuing right to continue the production of the well-head of anticlar grade and gravity, (b) for gas (including essign head gas) and all other products are such as a continued to the continuing right to product and several production of string grade and gravity, (b) for gas (including essign head gas) and all other excits taxes and the coars incurred by Lessee in delivering processing or otherwise marketing used as or other stances, provided that Lesses and have the continuing rights, or other excits taxes and the coars incurred by Lessee in delivering processing or otherwise marketing used as or other stances, provided that Lesses and have the continuing rights, or other such production at the prevailing price) pursuant to comparable purchase contracts estimated, and the provider and the production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the search field in which there is such a prevailing price) pursuant to comparable purchase contracts estimated in State and the stances, and the same field, then in the search field in which there is such a prevailing price) pursuant to comparable purchase contracts estimated in State and the stances of an excitation of the same field (or if there is no such price then prevailing in the same field (or if there is no such price then prevailing in the same field (or if there is no such price then prevailing in the same f

permises from uncompensated drainage by any well or wells located on other lands not pooled therewith. There shall be no covenant to drill exploratory wells or any additional wells except as 6. Lesses shall have the right but not the obligation to pool all or any part of the leased premises or interest therein with any other lands or interests, as to any or all depths or develop or operate the leased premises, whether or not similar pooling authority exists with respect to such other lands or interests. The unit formed by such pooling for an oil well which is not tolerance of 10%, and for a gas well or a horizontal completion shall not exceed 80 acres plus a maximum acreage tolerance of 10%, and for a gas well or a horizontal completion shall not exceed 80 acres plus a maximum acreage tolerance of 10% and for a gas well or a horizontal completion shall not exceed 640 acres plus a maximum acreage permitted by sep; provided that a larger unit may be formed for an oil well or gas well or horizontal completion to comform to any well apacing or density pattern that may be prescribed or law or the appropriate governmental authority, or, if no definition is so prescribed, "oil well" means a well with an initial gas-oil ratio of 100,000 cubic feet or more per barrel, based on 24-hour production test conducted under normal producing conditions using standard lease separator vertical component thereof. In exercising its pooling rights hereunder, Lessee shall file of record a written doclaration describing the unit and stating the effective date of pooling. Production, premises, except that the production on which Lessor's royalty is calculated shall be that proportion of the total unit production which the not acreage covered by this lesse and included in the rights herounder, and Lessee shall not exhall the supportion of the which included in the existent make proportion of unit production in which the supportion of our production of unit production of which the profuction of which the position of the vinual thereof to

8. The interest of either Lessor or Lessee hereunder may be assigned, devised or otherwise transferred in whole or in part, by area and/or by depth or zone, and the rights and reducing the rights or enlarging the obligations of Lessee hereunder, and no change in ownership shall be binding on Lessee until 60 days after Lessee has been furnished the original or in Lessee's usual form of division order. In the event of the death of any person entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to the credit of decedent's estate in the depository designated above. If at any time two or more persons are entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to the credit of decedent persons or to their credit in the depository, either jointly or separately in proportion to the interest which each owns. If Lessee transfers its interest hereunder in whole or in part Lessee shall be the rights of Lessee with respect to any interest not so transferred. If Lessee transfers a full or undivided interest in the stream overed by this lease, the obligation to pay or lessee may, at any time and from time to time, deliver to Lesseor or file of record a written release of this lease then held by each.

9. Lessee may, at any time and from time to time, deliver to Lesseor or file of record a written release of this lease then held by each.

If Lessee releases all or any portion of the area covered by this lease. If Lessee releases all or any portion of the area covered by this lease.

Page 2 of 2

undivided interest in less than all of the area covered hereby, Lessee's obligation to pay or tender shut-in royalties shall be proportionalely reduced in accordance with the net acre

10. In exploring for, developing, producing and marketing oil, gas and other substances covered hereby on the leased premises or lands pooled or unitized herewith, in primary purposes, including but not limited to geophysical operations, the drilling of wells, and the construction and use of roads, canals, pipelines, tanks, water wells, disposal wells, injection wells, operations, free of cost, any oil, gas, water and/or other substances produced on the leased premises or lands pooled therewith, the ancillary rights granted herein shall apply (a) to the entire leased premises or lands pooled therewith, the ancillary rights granted herein shall apply (a) to the entire leased premises described in Paragraph I above, notwithstanding lands pooled therewith. When requested by Lessor in writing, Lessee shall bury its pipelines below ordinary plow depth on cultivated lands. No well shall be located less than 200 feet from other improvements now on the leased premises or such other lands used by Lessor is without Lesser and materials, including well casing, from the leased premises or such other lands, and to commercial timber and growing crops thereon. Lessee shall have for the rights at any time to remove its fixtures, 11. Lessee's obligations under this lease, whether express or implied, shall be subject to all applicable laws, rules, regulations and orders of any governmental authority having operations are prevented or delayed by such laws, rules, regulations or orders, or by inability to obtain necessary permits, equipment, services, material, water, electricity, finel, access or finely prevention or other operations or being prevented or delayed by such laws, rules, regulations or orders, or by inability to obtain necessary permits, equipment, services, material, water, electricity, finel, access or failure of purchasers or carriers to take or transport such production or orders, or by inability to obtain necessary permits, equipment, services, material, water, electricity, finel, access or failure of purchasers 10. In exploring for, developing, producing and marketing oil, gas and other substances covered hereby on the leased premises or lands pooled or unitized herewith, in

when drilling, production or other operations are so prevented, delayed or interrupted.

12. In the event that Lessor, during the primary term of this lesse, receives a bona fide offer which Lessor is willing to accept from any party offering to purchase from Lessor a lease covering any or all of the substances covered by this lesse and covering all or a portion of the land described herein, with the lease becoming effective upon expiration of this lesse, Lessor at the offer. Lessee, for a period of fifteen days after receipt of the notice, shall have the prior and preferred right and option to purchase the lease or part thereof or interest therein, covered by the standard of the price and according to the terms and conditions specified in the offer.

13. No litigation shall be initiated by Lessor with respect to any breach or default by Lessee hereunder, for a period of at least 90 days after Lessor has given Lessee written notice determination that a breach or default has occurred, this lesse shall not be forfeited or canceled in whole or in part unless Lessee is given a reasonable time after said judicial determination to

14. For the same consideration recited above, Lessor hereby grants, assigns and conveys unto Lessee, its successors and assigns, a perpetual subsurface well bore easement under and are not intended to develop the leased premises or lands pooled therewith and from which Lessor shall have no right to royalty or other benefit. Such subsurface well bore easements shall run

with the land and survive any termination of this lease.

15. Lessor hereby warrants and agrees to defend title conveyed to Lessee hereunder, and agrees that Lessee at Lessee's option may pay and discharge any taxes, mortgages or liens its other rights, may reimburse itself out of any royalties or shut-in royalties otherwise payable to Lessor hereunder. In the event Lessee is made aware of any claim inconstitute, Lessee may suspend the payment of royalties and shut-in royalties hereunder, without interest, until Lessee has been furnished satisfactory evidence that such claim has been resolved.

16. Notwithstanding anything contained to the contrary in this lease, Lessee shall not have any rights to use the surface of the leased premises for drilling or other operations.

17. This lease may be executed in counterparts, each of which is deemed an original and all of which only constitute one original.

DISCLAIMER OF REPRESENTATIONS: Lessor acknowledges that oil and gas lease payments, in the form of rental, bonus and royalty, are market sensitive and may vary depending on duress or undue influence. Lessor recognizes that lease values could go up or down depending on market conditions. Lessor acknowledges that no representations or assurances were made in transaction based upon any differing terms which Lessee has or may negotiate with any other lessors/oil and gas owners.

IN WITNESS WHEREOF, this lease is executed to be effective as of the date first written above, but upon execution shall be binding on the signatory and the signatory's heirs, devisees, executors, administrators, successors and assigns, whether or not this lease has been executed by all parties hereinabove named as Lessor.

LESSOR (WHETHER ONE OR MORE) David Henie

ACKNOWLEDGMENT

COUNTY OF

BEFORE ME, the undersigned authority, on the 12 day of 2010 personally appeared David Henley, known to me to be the person(s) whose name(s) is (are) subscribed to the forgoing instrument and acknowledged to me that he/she/they executed the same for the purposes and consideration their expressed, in the capacity therein stated, and as the act and deed of said David Henley.

SEAL

CHRISTOPHER CHARLES FIELDS **NOTARY PUBLIC** STATE OF TEXAS MY COMM. EXP. 6/01/14

Notary Public, State of

Notary's name (printed):

Notary's commission expires:

hustopher Charles Rells

Tares